

STATE OF MICHIGAN
IN THE CIRCUIT COURT FOR THE COUNTY OF INGHAM

In the Matter of CADILLAC INSURANCE COMPANY,
IN LIQUIDATION

BILL SCHUETTE, Attorney General
of the State of Michigan, ex rel
R. KEVIN CLINTON, Commissioner of the
Office of Financial and Insurance Regulation
of the State of Michigan,

File No.: 89-64126-CR

Hon. William E. Collette

Petitioners,

vs.

CADILLAC INSURANCE COMPANY,
a Michigan Corporation,

Respondent.

MARK J. ZAUSMER (P31721)
Special Assistant Attorney General
AMY SITNER APPLIN (P46900)
ZAUSMER, KAUFMAN, AUGUST
& CALDWELL, P.C.
Attorneys for Petitioners
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Farmington Hills, MI 48334
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RECEIVER'S PETITION TO ESTABLISH OR AMEND GUIDELINES
FOR SERVICE AND NOTICE OF PETITIONS RELATED TO
WIND-UP OF THE CADILLAC ESTATE
AND FOR RELATED RELIEF

R. Kevin Clinton, Commissioner of the Office of Financial and Insurance Regulation, in
his capacity as Receiver of Cadillac Insurance Company in Liquidation ("Cadillac"), through
his attorneys, Zausmer, Kaufman, August & Caldwell, P.C., consistent with former Chapter 78

of the Insurance Code of 1956 and with the 4th Amended Claims Adjudication Procedures approved by this Court, asks the Court to enter an Order Establishing or Amending Guidelines for Service and Notice of Petitions Related to Wind-Up of the Cadillac Estate and Granting Related Relief. In support of this Petition, the Receiver states as follows:

GENERAL BACKGROUND

1. In 1990, this Court ordered that Cadillac Insurance Company (“Cadillac”) be liquidated under the supervision of what is now called the Office of Financial and Insurance Regulation (“OFIR”).¹

2. The Commissioner of OFIR is the Court-appointed Receiver/Liquidator (“Receiver”) of Cadillac, and Mr. James Gerber is the Court-appointed Deputy Receiver.

3. On August 3, 2011, this Court entered its Order Approving Plan for Interim Distribution of Estate Assets. Under that Order, the Receiver distributed \$17,490,128 from the Cadillac estate, consisting of the following:

- a. Full and final payment of incurred and reserved guaranty fund administrative expenses in the amount of \$2,709,323 on terms stated in accompanying Agreements for Disbursement of Funds (“Interim Distribution Agreements”) between the Receiver and the relevant guaranty associations.
- b. A partial pro rata distribution of \$14,780,805 to preferred claimants under MCL 500.7834 (“Class 1 Claims”), which includes claims of policyholders, policy claimants and guaranty associations, amounting to fifty percent (50%) of their approved claim amounts. The above-referenced Interim Disbursement Agreements also apply to this pro rata distribution with respect to guaranty associations.

¹ The detailed history of the Cadillac estate is available in the various reports filed with this Court and is summarized in the Petition for Approval of Plan of Interim Distribution of Estate Assets, filed July 5, 2011 (the “Interim Distribution Petition”). A courtesy copy of the Interim Distribution Petition (with selected exhibits) is being provided to the Court with this Petition, and the Interim Distribution Petition can be accessed online at the following address: http://www.michigan.gov/documents/lara/Petition_to_Approve_Plan_of_Interim_Distribution_with_exhibits_-_Part_1_358105_7.pdf.

4. As explained in the Interim Distribution Petition, the Receiver was unable to fully liquidate the estate in 2011 because of a potential federal tax issue that would not be resolved for at least 18 months.

5. The 18-month period for the United States Internal Revenue Service to potentially assess additional tax to Cadillac in relation to FY 2007-2008 and FY 2008-2009, as described in paragraphs 12 and 20 of the Interim Distribution Petition, has now expired.

6. As a result, the Receiver is now ready to begin the process of final distribution of estate assets and winding up of the Cadillac estate, with a goal of achieving complete closure by year-end 2013.

7. By this Petition, the Receiver seeks to obtain approval for certain housekeeping matters related to his planned wind-up of the estate and termination of the liquidation proceeding. In particular, in anticipation of filing a petition this spring for the purposes of (1) establishing a reserve for administrative expenses related to wind-up and closure of the estate; (2) making an additional partial distribution to Class 1 creditors consisting of all estate assets above the amount of the administrative expense reserve and (3) formalizing disallowance of Class 2 claims, the Receiver seeks court approval for the following:

- Establish and/or amend guidelines with respect to the publication of notices related to the distribution of estate assets, disallowance of claims and wind-up and closure of the estate.
- Establish guidelines permitting e-service of petitions, orders and other papers related to this matter.

- Postpone filing of the Receiver's Annual Narrative and Financial Report to the Court, otherwise due by March 2, 2013, with the narrative and financial information for 2012 instead being provided as part of the planned petition described above.
- Obtain pre-approval of changes to the case caption in connection with the Executive Branch re-organization that will become effective on or about March 17, 2013.

REQUESTED AMENDMENT TO NOTICE PROCEDURE FOR PETITIONS

8. On October 14, 2010, this Court entered an Order (**Exhibit A**) that approved the following procedure for service of a Petition for distribution of estate assets:

- a. A copy of the Petition, Supporting Brief including exhibits and Notice of Hearing shall be served by first class mail on the service list attached as Exhibit A to the October 14, 2010 Order.
- b. A copy of the Petition, Supporting Brief including exhibits and Notice of Hearing shall be posted by the Receiver on the State of Michigan's website, www.michigan.gov, in the section of the website related to the Office of Financial and Insurance Regulation under the heading Who We Regulate.
- c. Notice of the filing of the Petition and of the related hearing shall be published in the legal notice section of the national edition of USA Today, weekday edition, one day per week for two weeks, ending at least one week prior to the date set for the hearing.

9. The publication of notice in USA Today in 2011, in connection with the Interim Distribution Petition, and consistent with the October 14, 2010, Order, cost the estate \$15,025.50, as reported to the Court in the Receiver's annual report filed on or about February 22, 2012. Any similar future publication is expected to cost this much or more.

10. The Receiver and his staff are unaware of having received a single inquiry as a result of the USA Today publication in 2011.

11. The governing statute, repealed Chapter 78 of the Michigan Insurance Code of

1956,² contains no requirement for publication with regard to petitions for distribution of estate assets.

12. The Receiver believes that the publication requirement is unnecessary and not an efficient or effective use of estate assets, particularly given the fact that, consistent with the Court-approved Claims Adjudication Procedures, all opportunities for objection with respect to claim determinations long ago expired.

13. The Receiver therefore requests that the Court approve amendment of the October 14, 2010, Order to delete the publication requirement.

14. The Receiver also requests that the Court approve amendment of the October 14, 2010, Order's requirement as to posting on the State of Michigan website to require posting on the section of the website related to the department and/or office with which the Receiver is associated. As discussed below, effective on or about March 17, 2013, the responsibilities of the Commissioner of the Office of Financial and Insurance Regulation will be transferred to the new Director of the Department of Financial and Insurance Services. It is anticipated that website locations for posted documents will change accordingly.

REQUESTED PERMISSION FOR E-SERVICE OF PETITIONS

15. In order to potentially reduce the postage costs associated with service of petitions, orders and other papers related to this matter, the Receiver seeks to establish guidelines for voluntary acceptance of e-service.

16. The Receiver proposes to send a letter, along with service of the Order resulting from this Petition on the service list attached as Exhibit A to the October 14, 2010, Order (**Exhibit A**), asking individuals/entities on the service list ("service recipients") to voluntarily

² With respect to the applicability of Chapter 78 to these proceedings, and for a copy of Chapter 78, see footnotes 1 and 2 and Exhibit A to the Interim Distribution Petition.

agree to e-service of petitions, order and other papers in the future by signing and returning a copy of the letter and providing their approved email address(es) for service and other necessary information.

17. The proposed email service would be consistent with Rule 2.107(C)(4) of the Michigan Court Rules by including the following:

- An opportunity for a service recipient to specify the maximum size of any document that may be attached to an e-mail.
- Notice that exhibits to emailed documents may or may not be attached as separate documents.
- Notice that a service recipient may rescind the election to receive e-service or ask for paper service of any particular document.
- Notice that a service recipient is obligated to promptly inform the Receiver's counsel of any change in the service recipient's email address.
- Each email that transmits a document shall include a subject line that identifies the matter as follows: In re Cadillac Insurance Co, Ingham CCC No. 89-64126-CK and the title or legal description of the document(s) being sent.
- Email transmission sent after 4:30 p.m. Eastern Time shall be deemed to be served on the next day that is not a Saturday, Sunday or legal holiday.
- Notice that service by email is complete upon transmission unless the party making service learns that the attempted service did not reach the email address of the intended recipient, in which case the party making service shall serve the document by regular mail and include a copy of the return notice indicating that the email was returned as undeliverable.

POSTPONEMENT OF ANNUAL REPORT

18. The Receiver intends to undertake the process of calculating the proposed distribution amounts as soon as possible, and that process will include the same accounting procedures associated with the Receiver's annual report to the Court, as required by the Order of the Court dated July 13, 1999 (**Exhibit B**).

19. The Receiver believes that it would be most efficient to include the annual narrative and financial report information in the anticipated petition described in Paragraph 7 above, rather than first producing the annual report and then preparing the petition. However, the Receiver does not expect to be prepared to file the anticipated petition by March 2, 2013.

20. The Receiver therefore requests that the Court grant a waiver of the March 2, 2013, deadline for the annual report and require instead that the annual narrative and financial information be included in the anticipated petition, provided that the petition is filed with the Court on or before May 31, 2013.

PRE-APPROVAL OF CHANGES TO CASE CAPTION

21. By Executive Order No. 2013-1 dated January 16, 2013 (**Exhibit C**), Michigan Governor Richard D. Snyder ordered that the Office of Financial and Insurance Regulation within the Department of Licensing and Regulatory Affairs be abolished and replaced by a new Department of Financial and Insurance Services.

22. Executive Order No. 2013-1 also provides that the office of Commissioner of OFIR is abolished and that all authority, powers, duties, functions and responsibilities of the Commissioner of OFIR are transferred to the new Director of the Department of Financial and Insurance Services (“DFIS”).³

23. Executive Order No. 2013-1, by its terms, becomes effective 60 days after January 16, 2013 – i.e. on March 17, 2013.

24. In anticipation of Executive Order No. 2013-1 taking effect, the Receiver asks the Court to pre-approve the amendment of the caption in this matter, effective March 17, 2013, to reflect the transfer of the Receiver’s role to the Director of DFIS.

³ The current Commissioner of OFIR, R. Kevin Clinton, has been appointed as the new Director of DFIS.

RELIEF REQUESTED

WHEREFORE, the Receiver respectfully requests entry of an order granting the Receiver's Petition for Order to Establish or Amend Guidelines for Service and Notice of Petitions Related to Wind-Up of the Cadillac Estate and for Related Relief on the terms set forth in this Petition.

Respectfully Submitted,

ZAUSMER, KAUFMAN, AUGUST
& CALDWELL, P.C.

 BA

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Dated: February 13, 2013

EXHIBIT A

STATE OF MICHIGAN
IN THE CIRCUIT COURT FOR THE COUNTY OF INGHAM

In the Matter of CADILLAC INSURANCE COMPANY,
IN LIQUIDATION

MICHAEL A. COX, Attorney General
of the State of Michigan, ex rel
KEN ROSS, Commissioner of the
Office of Financial and Insurance Regulation
of the State of Michigan,

File No.: 89-64126-CR

Hon. William E. Collette

Petitioners,

vs.

CADILLAC INSURANCE COMPANY,
a Michigan Corporation,

Respondent.

MARK J. ZAUSMER (P31721)
Special Assistant Attorney General
AMY SITNER APPLIN (P46900)
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ORDER DISALLOWING CLAIMS
AS TO WHICH THE RECEIVER IS UNABLE TO LOCATE THE CLAIMANT
AND
APPROVING NOTICE PROCEDURE FOR ANTICIPATED PETITION
TO APPROVE PLAN OF FINAL DISTRIBUTION OF ESTATE ASSETS

At a session of said Court held in the Ingham County
Courthouse in the City of Mason, County of Ingham,
Michigan, on

PRESENT:

10.14.10
CIRCUIT COURT JUDGE

This Court having read and considered the Petition for Order Disallowing Claims as to Which the Receiver is Unable to Locate the Claimant and Approving Notice Procedure for Anticipated Petition to Approve Plan of Final Distribution of Estate Assets, and the Court being otherwise fully advised in the premises;

IT IS HEREBY ORDERED that the Receiver's Petition for Order Disallowing Claims as to Which the Receiver is Unable to Locate the Claimant and Approving Notice Procedure for Anticipated Petition to Approve Plan of Final Distribution of Estate Assets is GRANTED.

IT IS FURTHER ORDERED that, consistent with the Claims Adjudication Procedures previously approved by this Court, the Receiver is not required to send Notices of Determination to claimants whose claims are disallowed pursuant to this Order.

IT IS FURTHER ORDERED that interested parties shall be notified as follows of the Receiver's Petition for Approval of Plan of Final Distribution:

1. A copy of the Petition, supporting Brief including exhibits and Notice of Hearing shall be served by first class mail on the service list attached to this Order as Exhibit A.
2. A copy of the Petition, supporting Brief including exhibits and Notice of Hearing shall be posted by the Receiver on the State of Michigan's website, www.michigan.gov, in the section of the website related to the Office of Financial and Insurance Regulation under the heading Who We Regulate.
3. Notice of the filing of the Petition and of the related hearing shall be published in the legal notice section of the national edition of USA Today, weekday edition,

Zausmer, Kaufman, August, Caldwell & Taylor, P.C.,
31700 Middlebelt Road, Suite 150, Farmington Hills, MI 48334-2374 • 721 N. Capitol, Suite 2, Lansing, MI 48906-5163

one day per week for two weeks, ending at least one week prior to the date set for the hearing.

IT IS FURTHER ORDERED that the Receiver may file under seal with the Court the complete list of approved claims, including the name and address of each claimant, and may attach to the Petition for Order Approving Plan of Final Distribution, as served and as posted on the State of Michigan website, a redacted listing of claims identifying claimants by claim number and approved amount only.

IT IS FURTHER ORDERED that, at the Receiver's discretion or upon Court order, for good cause shown, and upon signing a protective order satisfactory to the Receiver, an interested person or entity may receive a copy of the complete listing of approved claims including the name and address of each claimant.

WILLIAM E. COLLETTE

CIRCUIT COURT JUDGE

EXHIBIT A

Service List:

Mr. Louis Porter, counsel to EMS Enterprises, Inc.

Ms. Suzanne Sahakian, counsel to the Michigan Property & Casualty Guaranty Association

Each additional Guaranty Fund that paid Covered Claims of Cadillac insureds

Top 10 largest non-Guaranty Fund Class 1 Claims

Top 10 largest Class 2 Claims

EXHIBIT B

FINK, ZAUSMER & KAUFMAN, P.C.
31700 MIDDLEBELT ROAD, SUITE 150, FARMINGTON HILLS, MI 48334-2374 • 2450 FIRST NATIONAL BUILDING, DETROIT, MI 48226-3535 • 600 WEST ST. JOSEPH, LANSING, MI 48933-2265

STATE OF MICHIGAN
IN THE CIRCUIT COURT FOR THE COUNTY OF INGHAM

In the Matter of CADILLAC INSURANCE
COMPANY IN LIQUIDATION

JENNIFER GRANHOLM, Attorney General
of the State of Michigan, ex rel FRANK M.
FITZGERALD, Commissioner of Insurance of
the State of Michigan,

Petitioners

vs.

File No. 89-64126-CK
HON. MICHAEL G. HARRISON

CADILLAC INSURANCE COMPANY,
a Michigan Corporation,

Respondent.

MARK J. ZAUSMER (P31721)
FINK, ZAUSMER & KAUFMAN, P.C.
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ORDER PERMITTING THE RECEIVER
TO CEASE FILING SEPTEMBER NARRATIVE REPORTS
TO THE RECEIVERSHIP COURT
AND SETTING AMENDED SCHEDULE FOR SUBMISSION
OF FINANCIAL STATEMENTS AND REPORTS

At a session of said Court, held in the Courtroom thereof, in
the City of Lansing, County of Ingham, State of Michigan,
this 13th day of July, 1999.

Present: Hon: _____
CIRCUIT COURT JUDGE

This Court having reviewed the Petition filed by the Receiver/Liquidator, and the Court being otherwise duly advised in the premises;

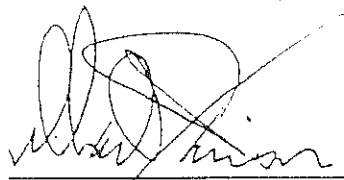
NOW THEREFORE, IT IS HEREBY ORDERED that the Receiver's Petition is GRANTED, and the Receiver may cease filing the semi-annual narrative report to this Court that has been due on or before the first day of September of each year.

IT IS FURTHER ORDERED that the Receiver shall file an annual financial statement for Cadillac Insurance Company annually on the first day of March (or next business day thereafter).

IT IS FURTHER ORDERED that the Receiver shall file an annual list of receipts and disbursements for Cadillac Insurance Company annually on the first day of March (or next business day thereafter).

IT IS FURTHER ORDERED that the Receiver shall file an annual narrative report for Cadillac Insurance Company annually on the first day of March (or next business day thereafter).

IT IS FURTHER ORDERED that this Order replaces the Amended Order Setting Schedule for Submission of Financial Statements and Reports dated July 15, 1992.



Circuit Court Judge

A TRUE COPY
CLERK OF THE COURT
30th JUDICIAL CIRCUIT COURT

EXHIBIT C



RICK SNYDER
GOVERNOR

STATE OF MICHIGAN
EXECUTIVE OFFICE
LANSING

BRIAN CALLEY
LT. GOVERNOR

**EXECUTIVE ORDER
No. 2013 - 1**

**EXECUTIVE REORGANIZATION
DEPARTMENT OF LICENSING AND REGULATORY AFFAIRS
OFFICE OF FINANCIAL AND INSURANCE REGULATION**

**CREATION OF THE
DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES**

WHEREAS, Section 1 of Article V of the Michigan Constitution of 1963 vests the executive power of the state of Michigan in the Governor; and

WHEREAS, Section 2 of Article V of the Michigan Constitution of 1963 empowers the Governor to make changes in the organization of the Executive Branch or in the assignment of functions among its units that he considers necessary for efficient administration; and

WHEREAS, Section 8 of Article V of the Michigan Constitution of 1963 provides that each principal department shall be under the supervision of the Governor unless otherwise provided by the Constitution; and

WHEREAS, there is a continued need to reorganize functions among state departments to ensure efficient administration; and

WHEREAS, the insurance and financial services industries are significant components of our state economy, directly employing over 150,000 Michigan residents and generating more than \$9 billion in annual payroll; and

WHEREAS, Michigan is home to over 300 state banks and credit unions and 149 insurance companies are domiciled here. Michigan serves as a port of entry and chief U.S. regulator for 5 Canadian insurance companies, and nearly 1,500 foreign insurance companies also do business in this state; and

WHEREAS, it is an important function of state government to protect consumers of insurance and financial services products through public information and effective regulation; and

WHEREAS, the world of insurance and financial services is rapidly changing, health insurance is becoming more accessible, and digital banking is revolutionizing the way that money is used; and

WHEREAS, consolidating all functions related to the regulation of insurance and financial services into a new Department of Insurance and Financial Services will provide a focal point of

consumer protection, enable efficient and effective regulation, and position the insurance and financial services sector of Michigan's economy for growth;

NOW, THEREFORE, I, Richard D. Snyder, Governor of the state of Michigan, by virtue of the powers and authority vested in the Governor by the Michigan Constitution of 1963 and Michigan law, order the following:

I. DEFINITIONS

As used in this Order:

A. "Autism Coverage Reimbursement Program" means the program created under the Autism Coverage Reimbursement Act, 2012 PA 101, MCL 550.1831 to 1841.

B. "Commissioner" means the head of the Office of Financial and Insurance Regulation.

C. "Department of Licensing and Regulatory Affairs" means the principal department of state government created as the Department of Commerce under Section 225 of the Executive Organization Act of 1965, 1965 PA 380, MCL 16.325, renamed the Department of Consumer and Industry Services under Executive Order 1996-2, MCL 445.2001, renamed the Department of Labor and Economic Growth under Executive Order 2003-18, MCL 445.2011, and renamed the Department of Licensing and Regulatory Affairs under Executive Order 2011-4, MCL 445.2030.

D. "Department of Insurance and Financial Services" means the principal department of state government created under Section II of this Order.

E. "Office of Financial and Insurance Regulation" means the Office of Financial and Insurance Services created by Executive Order 2000-4, MCL 445.2003, renamed the Office of Financial and Insurance Regulation under Executive Order 2008-2, MCL 445.2005, and reorganized under Executive Order 2012-13.

F. "State Budget Director" means the individual appointed by the Governor pursuant to Section 321 of The Management Budget Act, 1984 PA 431, MCL 18.1321.

G. "Type III transfer" means that phrase as defined in Section 3 of the Executive Organization Act of 1965, 1965 PA 380, MCL 16.103.

II. CREATION OF THE DEPARTMENT OF INSURANCE AND FINANCIAL SERVICES

A. The Department of Insurance and Financial Services is created as a principal department in the executive branch of state government. The Department shall regulate the insurance and financial services industries in this state.

B. The Department shall be headed by a Director of Insurance and Financial Services who shall be appointed by the Governor, with the advice and consent of the Michigan Senate commencing on the date of this Order. The individual appointed as the Director shall serve as a member of the Governor's Cabinet.

C. The position of the Commissioner of the Office of Financial and Insurance

Regulation as a member or chairperson of all of the following boards or commissions is transferred to the Director of the Department of Insurance and Financial Services:

- a. State Employees Retirement System Board. MCL 38.3(1)(a).
- b. Interstate Insurance Product Regulation Compact Commission. MCL 3.1031 Art. II (4), (5) & (8).
- c. State Advisory Council on Mental Health and Aging. MCL 330.1941(1).
- d. Governing Board, Data Collection Agency for Workers Compensation Data. MCL 500.2402(2)(f).
- e. Catastrophic Claims Association Board. MCL 500.3104(13).
- f. Multiple Employer Welfare Arrangement Security Fund Board of Trustees. MCL 500.7080(2).

III. TRANSFER OF OFFICE OF FINANCIAL AND INSURANCE REGULATION FUNCTIONS

A. All the authority, powers, duties, functions and responsibilities of the Commissioner of the Office of Financial and Insurance Regulation created by Executive Order 2000-4, and amended by Executive Order 2008-2, Executive Order 2011-4, and Executive Order 2012-13 are hereby transferred by a Type III transfer to the Director of the Department of Insurance and Financial Services as defined by Section 3 of Act No. 380 of the Public Acts of 1965, as amended, being Section 16.103 of the Michigan Compiled Laws.

B. Any and all statutory or other references to the Office of Financial and Insurance Regulation not inconsistent with this Order shall be deemed references to the Department of Insurance and Financial Services.

C. Any and all statutory or other references to the Commissioner of the Office of Financial and Insurance Regulation not inconsistent with this Order shall be deemed references to the Director of the Department of Insurance and Financial Services.

D. The Office of Financial and Insurance Regulation and the Office of Commissioner of the Office of Financial and Insurance Regulation are hereby abolished.

IV. TRANSFER OF AUTISM COVERAGE REIMBURSEMENT PROGRAM FUNCTIONS

The Autism Coverage Reimbursement Program created under the Autism Coverage Reimbursement Act, 2012 PA 101, MCL 550.1831 to 1841, together with all the authority, powers, duties, functions, responsibilities, records, personnel, property, unexpended balances of appropriations, allocations of other funds, including functions of budgeting and procurement, are transferred from the Department of Licensing and Regulatory Affairs to the Department of Insurance and Financial Services. The Director of the Department of Insurance and Financial Services shall replace the Director of the Department of Licensing and Regulatory Affairs as a member of the Autism Council created by Executive Order 2012-11.

V. IMPLEMENTATION OF TRANSFERS

A. The Director of the Department of Insurance and Financial Services shall provide executive direction and supervision for the implementation of all transfers of authority under this Order.

B. The Director of the Department of Insurance and Financial Services and the Director of the Department of Licensing and Regulatory Affairs shall immediately coordinate in order to facilitate the transfer and develop memoranda of record identifying any pending settlements, issues of compliance with applicable federal and state laws and regulations, or other obligations to be resolved related to the authority being transferred.

C. The Director of the Department of Insurance and Financial Services shall establish the internal organization of the Department and allocate and reallocate duties and functions to promote economic and efficient administration and operation of the Department. The Director of the Department of Insurance and Financial Services shall supervise the staff of the Department and shall be responsible for its day-to-day operations.

D. The State Budget Director shall determine and authorize the most efficient manner possible for handling financial transactions and records in the state's financial management system as necessary for the implementation of this Order.

E. The Director of the Department of Insurance and Financial Services may by written instrument delegate a duty or power conferred by law or this Order and the person to whom such duty or power is so delegated may perform such duty or exercise such power at the time and to the extent such duty or power is delegated by the Director of the Department of Insurance and Financial Services.

VI. MISCELLANEOUS

A. All records, personnel, and property used, held, employed, or to be made available to the Office of Financial and Insurance Regulation and the Department of Licensing and Regulatory Affairs for the activities, powers, duties, functions, and responsibilities transferred by this Order are hereby transferred to the Department of Insurance and Financial Services.

B. All unexpended balances of appropriations, allocations, and other funds used, held, employed, or to be made available to the Office of Financial and Insurance Regulation and the Department of Licensing and Regulatory Affairs for the activities, powers, duties, functions, and responsibilities transferred by this Order are hereby transferred to the Department of Insurance and Financial Services.

C. All rules, orders, contracts, plans, and agreements relating to the functions transferred to the Department of Insurance and Financial Services by this Order lawfully adopted prior to the effective date of this Order shall continue to be effective until revised, amended, or rescinded.

D. Any suit, action, or other proceeding lawfully commenced by, against, or before any entity transferred to the Department of Insurance and Financial Services by this Order shall not abate by reason of the taking effect of this Order. Any lawfully commenced suit, action, or


other proceeding may be maintained by, against, or before the appropriate successor of any entity affected by this Order.

E. The invalidity of any portion of this Order shall not affect the validity of the remainder of the Order, which may be given effect without any invalid portion. Any portion of this Order found invalid by a court or other entity with proper jurisdiction shall be severable from the remaining portions of this Order.

In fulfillment of the requirements of Section 2 of Article V of the Michigan Constitution of 1963, the provisions of this Order shall be effective 60 days after the filing of this Order.



Given under my hand and the Great Seal of the state of Michigan this 16th day of January, in the Year of our Lord Two Thousand Thirteen.


RICHARD D. SNYDER
GOVERNOR

BY THE GOVERNOR:


SECRETARY OF STATE

FILED WITH SECRETARY OF STATE
ON 1/17/13 AT 11:00 AM